

## Message Text

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INFO AMEMBASSY BELGRADE  
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EO 11652: N/A  
TAGS: BEXP, YO  
SUBJECT: US HOUSEWARES UNIVERSAL SHOWCASE: 3 DAY SHOW/SUMMARY.

1. SUMMARY: USHS SHOW PRESENTED AT THE ZAGREB FALL FAIR  
ELICITED CONSIDERABLE INTEREST FROM YUGOSLAV BUSINESSMEN INVOLVED  
IN RETAILING, WHOLESALING AND PRODUCTION. LOW PRIORITY ASSIGNED  
TO IMPORT OF CONSUMER GOODS WITHIN YUGOSLAV FOREIGN TRADE SYSTEM  
MADE IT IMPOSSIBLE FOR THIS INTEREST TO BE TRANSLATED INTO ORDERS  
DURING SHOW. POTENTIAL BUYERS, HOWEVER, MADE A NUMBER OF INQUIRIES  
CONCERNING SPECIFICS OF PRODUCT LINES PRESENTED BY EXHIBITORS.  
RESPONSES ARE NOW BEGINNING TO BE RECEIVED AND IT IS POSSIBLE  
THAT SOME BUSINESS WILL BE DONE AS RESULT OF USHS. CONGEN BE-  
LIEVES FORMAT WAS A GOOD ONE WITH POTENTIAL FOR GREATER SUCCESS IN  
OTHER FIELDS MORE SUITED TO YUGOSLAV MARKET.

2. RESULTS: THE RESULTS OF THE HOUSEWARES SHOWCASE CAN BE  
EXPRESSED IN THE FOLLOWING STATISTICS:

NUMBER OF US FIRMS PARTICIPATING 29  
NUMBER OF BUSINESS VISITORS (ESTIMATE) 75  
OF WHICH RESGISTERED 15  
NUMBER OF FIRST REGISTERED 8  
(FIRMS INCLUDED ALL MAJOR RETAIL AND WHOLE-  
SALERS OF THESE ITEMS IN CROATIA AS WELL AS  
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FIRMS COVERING CROATIA, SLOVENIA AND MAJOR  
PORTIONS OF OTHER REPUBLICS)

NUMBER OF TRADE INQUIRIES 56  
OF WHICH PURCHASE 34  
OF WHICH AGENCY 16  
OF WHICH LICENSE 6

NUMBER OF US FIRMS RECEIVING AT LEAST ONE INQUIRY 23

THE HOUSEWARES SHOWCASE WAS THE FIRST MAJOR COMMERCIAL SHOWING OF AMERICAN HOUSEWARES IN YUGOSLAVIA AND IT EVOKED CONSIDERABLE INTEREST AMONG THE RATHER SMALL AUDIENCE OF HOUSEWARES CUSTOMERS. HOWEVER, IMPORT RESTRICTIONS AND THE PROTECTED POSITION OF DOMESTIC MANUFACTURERS APPEAR TO LIMIT SALES OPPORTUNITIES AT THIS TIME. NEVERTHELESS, A CERTAIN AMOUNT OF FOREIGN EXCHANGE IS MADE AVAILABLE EACH YEAR TO HOUSEWARES IMPORTERS, AND SOME COMPANIES MAY EVENTUALLY MAKE MODEST SALES. THE BEST SALES PROSPECTS APPEAR TO BE SMALL ELECTRIC APPLIANCES SUCH AS THE PROCTOR SILEX TOASTER OVEN AND THE WEST BEN "WOK" AND NEW OR UNUSUAL ITEMS SUCH AS THE PLACEMAT LINE OF BRIGHT OF AMERICAN AND THE PADCO PAINT KIT. LICENSING OPPORTUNITIES ALSO EXIST FOR CHEMICAL CLEANING PRODUCTS SUCH AS THOSE OF FAST CHEMICAL AND SPARKLE PLENTY.

3. PROMOTION: THE CONSULATE GENERAL AND THE COMMERCIAL SECTION OF THE EMBASSY IN BELGRADE MADE TWELVE "BLUE RIBBON" CALLS ON KEY HOUSEWARES CUSTOMERS INCLUDING THE MAJOR DEPARTMENT STORES AND HOUSEWARES IMPORTERS IN YUGOSLAVIA'S THREE LARGEST CITIES: BELGRADE, ZAGREB, AND LJUBLJANA. THESE CALLS WERE FOLLOWED BY A MAILING OF THE US EXHIBIT CATALOG, CONTAINING THE NAMES, ADDRESSES, AND PRODUCT DESCRIPTION OF ALL TWENTY-NINE PARTICIPATING AMERICAN FIRMS. MORE THAN 150 CATALOGS AND INVITATIONS TO ATTEND THE VTR  
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SHOWING WERE MAILED TO POTENTIAL END USERS, AGENTS, IMPORTERS, AND LICENSEES.

4. A TOTAL OF FIVE PERSONS WERE REQUIRED TO MAN THE SHOW INCLUDING THE USHUS COORDINATOR, A VTR TECHNICIAN (PROVIDED BY USIS BELGRADE), A GUIDE STATIONED BY THE SAMPLES, AND A CONSULATE COMMERCIAL OFFICER AND COMMERCIAL FSL. THE LATTER TWO WERE ALSO INVOLVED IN MAKING OTHER BUSINESS CONTACTS WITH OTHER EXHIBITORS AND VISITORS TO THE US PAVILION. THE TEN-DAY PERIOD OF THE FAIR WAS MUCH LONGER THAN NECESSARY TO REACH THE PROPER AUDIENCE, HOWEVER, AND THE TOTAL NUMBER OF VISITORS DROPPED CONSIDERABLY AFTER THE FIRST FEW BUSINESS DAYS OF THE FAIR TO THE POINT WHERE IT DID NOT JUSTIFY THE STAFF NEEDED TO MAN THE USHS SHOW.

5. EVALUATION AND CONCLUSION: OVERALL, THE SAMPLES, VTR, CATALOG FORMAT DREW FAVORABLE COMMENT FROM BOTH HOUSEWARES CUSTOMERS AND OTHER YUGOSLAV BUSINESSMEN. THE VTR SHOWINGS LIVENED UP THE PRESENTATION, BUT TOO FREQUENTLY THE INDIVIDUAL SEGMENTS SHOWED MORE OF THE SALESMAN THAN THE PRODUCT. THE ONE-HALF INCH VTR EQUIPMENT, MADE AVAILABLE FOR USE AT THE FAIR, ALSO PROVED TOO SENSITIVE AND UNRELIABLE FOR EFFECTIVE USE UNDER FAIR CONDITIONS.

6. ALTHOUGH THE THEME OF THIS VTR PRESENTATION  
ESPECIALLY SUITABLE FOR THE YUGOSLAV MARKET, CONGEN BELIEVES  
THAT THE VTR APPROACH COULD BE A VALUABLE MARKETING TOOL IN  
OTHER PRODUCT LINES. THERE WAS SURPRISING INTEREST IN SEEING  
THE VTR FOR THIS SHOW; DURING SEVERAL SHOWINGS A SIZEABLE  
NUMBER OF PERSONS VIEWED LONG PORTIONS OF THE PRESENTATION  
IN SPITE OF LANGUAGE BARRIERS. VTR PRESENTATIONS ON MORE  
SUITABLE PRODUCT LINES MAY ATTRACT MORE INTEREST FROM  
POTENTIAL USERS THAN CATALOGUE SHOWS AT A COST ONLY marginally  
MORE THAN CATALOGUE PRESENTATIONS BUT SUBSTANTIALLY LESS THAN  
OTHER FORMATS SUCH AS FULL-SCALE EXHIBITS OR TECHNICAL SALES  
SEMINARS. THE VTR FORMAT OF NECESSITY INVOLVES A LIMITED  
NUMBER OF FIRMS WHICH MAKES POSSIBLE A MORE TARGETED APPROACH  
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TO PARTICIPANTS AND CONCENTRATION OF VIEWERS ON SPECIFIC PRODUCT  
AVAILABILITIES. A VTR WHICH COULD BE COUPLED WITH SOME SAMPLE  
DISPLAYS IS EVEN MORE DESIRABLE, BUT SAMPLES ARE NOT ESSENTIAL.  
IF USDOC IS ABLE TO MAKE AVAILABLE A "LIBRARY" OF VTR PRESENTAT-  
IONS, CONGEN WOULD BE VERY INTERESTED IN PRESENTING THOSE WHICH  
WOULD SEEM APPROPRIATE TO THE YUGOSLAV MARKET.  
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